

**CITY OF BISMARCK DEFERRED SICK LEAVE FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2003**

	July-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month	FYTD	FY03	Ended	Ended
		Actual		Net ROR	Net	Net	6/30/2003	6/30/2003
							Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>								
<i>Structured Growth</i>								
AllianceBernstein	9,619	1.6%	1.5%	3.53%	3.53%	-1.88%	-21.24%	N/A
Russell 1000 Growth				2.49%	2.49%	2.94%	-21.54%	N/A
<i>Structured Value</i>								
LSV	9,099	1.5%	1.5%	1.53%	1.53%	-2.25%	8.84%	N/A
Russell 1000 Value				1.49%	1.49%	-1.02%	-0.19%	N/A
<i>S&amp;P 500 Index</i>								
State Street	43,820	7.3%	7.0%	1.77%	1.77%	0.23%	-11.28%	N/A
S&P 500				1.76%	1.76%	0.25%	-11.20%	N/A
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>62,538</b>	<b>10.5%</b>	<b>10.0%</b>	<b>2.00%</b>	<b>2.00%</b>	<b>-0.48%</b>	<b>-9.33%</b>	<b>N/A</b>
S&P 500				1.76%	1.76%	0.25%	-11.20%	N/A
<b>SMALL CAP DOMESTIC EQUITY</b>								
<i>Manager-of-Managers</i>								
SEI	32,834	5.5%	5.0%	6.11%	6.11%	0.09%	N/A	N/A
Russell 2000 + 200bp				6.43%	6.43%	0.36%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>32,834</b>	<b>5.5%</b>	<b>5.0%</b>	<b>6.11%</b>	<b>6.11%</b>	<b>0.09%</b>	<b>-3.49%</b>	<b>N/A</b>
Russell 2000				6.26%	6.26%	-1.63%	-3.30%	N/A
<b>CONVERTIBLES</b>								
TCW	61,376	10.3%	10.0%	1.23%	1.23%	10.23%	-9.51%	N/A
First Boston Convertible Index				0.45%	0.45%	15.46%	-3.77%	N/A
<b>INTERNATIONAL EQUITY</b>								
<i>Large Cap - Active</i>								
Capital Guardian	52,397	8.8%	8.0%	4.79%	4.79%	-10.31%	-15.85%	N/A
MSCI EAFE - 50% Hedged				3.28%	3.28%	-11.24%	-15.51%	N/A
<i>Small Cap - Value</i>								
Lazard	6,462	1.1%	1.0%	1.00%	1.00%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				3.20%	3.20%	N/A	N/A	N/A
<i>Small Cap - Growth</i>								
Vanguard	6,222	1.0%	1.0%	4.78%	4.78%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				3.20%	3.20%	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>65,081</b>	<b>10.9%</b>	<b>10.0%</b>	<b>4.40%</b>	<b>4.40%</b>	<b>-9.20%</b>	<b>-15.51%</b>	<b>N/A</b>
MSCI EAFE - 50% Hedged				3.28%	3.28%	-11.24%	-15.51%	N/A
<b>DOMESTIC FIXED INCOME</b>								
<i>Core Bond</i>								
Western Asset	173,865	29.1%	30.0%	-4.77%	-4.77%	12.77%	11.23%	N/A
Lehman Aggregate				-3.36%	-3.36%	10.39%	10.07%	N/A
<i>Index</i>								
Bank of ND	96,494	16.1%	18.0%	-4.02%	-4.02%	13.26%	10.87%	N/A
Bank of ND CD'S	-	0.0%	0.0%	N/A	0.30%	N/A	N/A	N/A
<b>Total Index</b>	<b>96,494</b>	<b>16.1%</b>	<b>18.0%</b>	<b>-4.02%</b>	<b>-3.72%</b>	<b>13.26%</b>	<b>10.87%</b>	<b>N/A</b>
Lehman Gov/Credit				-4.19%	-4.19%	13.14%	10.82%	N/A
<i>BBB Average Quality</i>								
Strong	75,110	12.6%	12.0%	-4.61%	-4.61%	17.91%	N/A	N/A
Lehman US Credit BAA				-4.49%	-4.49%	18.33%	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>345,469</b>	<b>57.8%</b>	<b>60.0%</b>	<b>-4.53%</b>	<b>-4.53%</b>	<b>13.18%</b>	<b>10.80%</b>	<b>N/A</b>
Lehman Gov/Credit				-4.19%	-4.19%	13.14%	10.82%	N/A
<b>CASH EQUIVALENTS</b>								
Bank of ND	30,603	5.1%	5.0%	0.09%	0.09%	1.57%	3.26%	N/A
90 Day T-Bill				0.07%	0.07%	1.52%	3.33%	N/A
<b>TOTAL DEFERRED SICK LEAVE FUND</b>	<b>597,901</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.60%</b>	<b>-1.60%</b>	<b>8.77%</b>	<b>3.02%</b>	<b>N/A</b>
<b>POLICY TARGET BENCHMARK</b>				<b>-1.71%</b>	<b>-1.71%</b>	<b>8.44%</b>	<b>3.48%</b>	<b>N/A</b>

NOTE: Monthly returns and market values are preliminary and subject to change.